



November 30, 2007

TransCanada PipeLines Limited
450 - 1st Street S.W.
Calgary, Alberta, Canada T2P 5H1

tel 403.920.2035
fax 403.920.2318
email tony_palmer@transcanada.com
web www.transcanada.com

Commissioner of Natural Resources, Alaska
Commissioner of Revenue, Alaska
AGIA License Office
State of Alaska, Department of Revenue
550 west 7th Avenue, Suite 1820
Anchorage, AK 99501

Dear Commissioners,

Re: Alaska Gasline Inducement - Act Application for License

TransCanada Alaska Company, LLC ("TC Alaska LLC") and Foothills Pipe Lines Ltd. ("Foothills"), (jointly "Co-applicants") are pleased to submit the enclosed Application for License ("Application") to construct an Alaska natural gas pipeline project pursuant to the Alaska Gasline Inducement Act ("AGIA"), in accordance with the Request for Applications ("RFA"), issued by the Alaska commissioner of Natural Resources and the Alaska commissioner of Revenue on July 2, 2007, and revised on August 6, 2007 and October 26, 2007.

The Application is comprised of one hard copy, with all attachments and appendices, and two compact disks ("CDs"), as specified in Section 1.5 of the RFA.

The hard copy of the Application is contained in two binders:

1. **Volume 1 – Application.** Volume 1 contains the Application. It is important to note this volume does not have any content designated as confidential, as described in Section 1.13.6 of the RFA; and
2. **Volume 2 – Appendices.** Volume 2 contains all appendices for the Application, including four appendices which are proprietary to the Co-applicants, and marked according to the instructions in Section 1.13.6 of the RFA, along with the required corresponding summaries for public disclosure.

The electronic copy of the Application is provided on two CDs :

1. **CD 1 – Confidential Version:** CD1 is labeled "Confidential Version" and contains the Application files in PDF format, a full set of appendices, including the four proprietary appendices (Appendices B1 – B13, C, E, and F) with the required summary pages, and the MS Excel files as required by Sections 2.2.3.5, 2.10 and 5.3 of the RFA; and
2. **CD 2 – For Public Disclosure:** CD2 is labeled "For Public Disclosure" and contains the Application files in PDF format and a set of appendices, with summary pages only in Appendices B1-B13, C, E and F.

In submitting this Application, the Co-applicants have complied with AGIA AS 43.90.130 as required. The Certification required in Section 1.13.3 of the RFA is enclosed as Attachment 1-3 in Section 1.0 of this Application.

This Application demonstrates that the Co-applicants' proposal maximizes the likelihood of success of an Alaska Pipeline Project, with a favorable net present value of anticipated cash flows to the State. The combination of our experience and expertise in natural gas pipeline project development, construction and operation and a long-standing commitment to moving Alaskan gas to market, makes us uniquely qualified to partner with the State of Alaska to build the Alaska Pipeline Project.

Respectfully submitted,

**TRANSCANADA ALASKA COMPANY,
LLC, as applicant for the Alaska Section and
the GTP.**

Per: 

Anthony M. Palmer

Per: 

Donald R. Marchand

**FOOTHILLS PIPE LINES LTD., as applicant
for the Canada Section, on behalf of its
Canadian subsidiaries certificated pursuant to
the Northern Pipeline Act to construct the
portions of the Project within their respective
zones.**

Per: 

Anthony M. Palmer

Per: 

Dennis J. McConaghy